

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

Hearing Date: April 22, 2010 at 10:00 AM(EST)
Response Deadline: April 15, 2010 at 4:00 PM(EST)

In re:)	Case No. 05-44481(RDD)
)	
DPH HOLDINGS CORP., et al,)	
)	Chapter 11
)	
Reorganized Debtors.)	Jointly Administered

**RESPONSE OF THE TENNESSEE DEPARTMENT OF
REVENUE TO THE DEBTORS' FORTY-SIXTH OMNIBUS
OBJECTION TO THE CERTAIN TAX CLAIMS**

COMES the Commissioner of Revenue for the State of Tennessee (the "Department") by and through the Attorney General, and respectfully responds to the Debtor's Forty-Sixth Omnibus Objection to Certain Tax Claims filed by the Department including claim number 18999. In support of this response and the proofs of claim filed by the Department, the respondent would show:

1. Debtors' petitions for relief under Chapter 11 of the Bankruptcy code were filed October 8 and 14, 2005.
2. The Department filed claim #18999, in the amount of \$177,808.05 on or about July 15, 2009.
3. The Debtors object to claim #18999, asserting that its books and records indicate that there is no liability for the claim.
4. Claim 18999 asserts liability for DPH Holdings Corporation in the amount of \$107,808.05 for franchise excise tax liability for the periods 2007, 2008 and 2009 along with late charges and interest. The Department agrees that the claim should be reduced to reflect satisfaction of the 2008 tax liability. Therefore, claim 18999 should be allowed in the reduced amount of \$67,158.60.

5. A Proof of Claim is prima facie evidence of the validity and amount of the claim. Fed.RulesBankr.Proc.Rule 3001(f). The Debtor has not provided sufficient evidence to rebut the validity of the claim.

6. Pursuant to Tennessee Code Annotated § 67-6-517 and Tennessee Code Annotated § 67-1-1438, if an entity fails to timely file a tax return, the Commissioner, after written notice of same, is authorized to determine the tax liability. The Commissioner is also authorized to audit returns filed for accuracy and correctness. T.C.A. § 67-1-1301. Any assessment made pursuant to these Sections shall be binding as if made upon the sworn statement of a person liable for the payment of the tax; and after such an assessment is made, the responsible party is stopped from disputing the accuracy except upon filing a true return, together with such supporting evidence as the Commissioner may require, indicating precisely the amount of the alleged inaccuracy.

WHEREFORE, the Department prays that the Court:

1. Allow claims #18999 in the reduced amount of \$67,158.60.
2. Order such other relief, as the Court deems appropriate to protect the interests of the Department and the State of Tennessee.

Respectfully Submitted,

Robert E. Cooper, Jr.
Attorney General & Reporter

/s/ Marvin E. Clements, Jr.
MARVIN E. CLEMENTS, JR.
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CERTIFICATE OF SERVICE

I, /s/ Marvin E. Clements, Jr., do hereby certify that a true and exact copy of the foregoing Response has been sent by FedEx overnight delivery and electronically filed on this the 13th day of April 2010, to the following:

Chambers of the Honorable Robert D. Drain
United States Bankruptcy Judge
United States Bankruptcy Court for the Southern District of New York
The Hon. Charles L. Brieant Jr. Federal Building and Courthouse
300 Quarropas Street
Courtroom 118
White Plains, New York 10601-4140

DPH Holdings Corporation
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/s/ Marvin E. Clements, Jr.
MARVIN E. CLEMENTS, JR.